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C O N F I D E N T I A L SECTION 01 OF 02 YEREVAN 000571

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SUBJECT: VAYOTS DZOR REPUBLICANS STRONG FOR ELECTION DAY

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Classified By: POLOFF Lindsay Fisher for reasons 1.4 (B,D)

¶1. (SBU) SUMMARY: An Embassy pre-election trip to the sparsely-populated Vayots Dzor province on 27 April found an electoral calm much attributed to the popularity of the Republican marzpet (governor) headquartered in Yeghanadzor and the relatively favorable image he exudes of the Republican Party there. This image, however, does not encompass the entire province as villagers farther from Yeghanadzor are taking handouts from Prosperous Armenia (PA) representatives. In any case, there appear to be few reasons for Election Day in Vayots Dzor to be anything other than calm and uneventful. There are an estimated 49,000 registered voters in Vayots Dzor, which represents only around 2% of the total voting population of some 2.3 million voters.
END SUMMARY

GOVERNOR'S POPULARITY SECURES REPUBLICAN HOPES

¶2. (C) Embassy officers met with the Vayots Dzor marzpet (regional governor), Samvel Sargsian, at his campaign office in Yeghanadzor. Vayots Dzor, a sparsely-populated, hilly region south of Yerevan, has little industry but is the origin of Armenia's best-known wine. Sargsian is the ruling Republican Party candidate for the majoritarian MP seat in Vayots Dzor. If he wins, he will have to step down from his appointive job as marzpet. Sargsian commented that the general campaign situation in the region is calm, and that he expected the 12 May elections to go smoothly since so many people are watching them. Sargsian outlined the successes he had achieved while in office, including a joint World Bank-Ministry of Agriculture effort to upgrade the irrigation system upon which this largely-agricultural marz relied. Sargsian said he was also looking to increase small and medium business development based on the use of microcredits, whose limited use he claims had already been successful; he planned to focus more next year on both this program and construction projects and planned to court both local and international investors. He said he would personally invest money from his deceased brother's lucrative business holdings in Moscow.

¶3. (C) Subsequent meetings with the local representatives from NDI and the election reform NGO It,s Your Choice (IYC) confirmed the marzpet,s local popularity. NDI's local representative, Anahit Hovhannisyan, noted that the people liked the marzpet,s programs, that he didn't have a reputation of corruption, and that he also reached out to his

constituents. She said that local residents were comfortable going to the marzpet for assistance. The IYC representative, Norik Simonyan, highlighted that people in the Yeghanadzor area appreciated Sargsian for staying true to his economic promises but also pointed out that villagers in other parts of the marz, who had not profited from Sargsian's programs, had benefited from recent PA handouts and will probably support PA in the polls.

UNEASE AND INDIFFERENCE STILL EXISTS AMONG VOTER POPULATION

¶4. (C) While marzpet Sargsian claimed the pre-election environment was free from government interference and politicization, Hovhannisyan and Simonyan both highlighted different perspectives still rooted in the population. Hovhannisyan noted that residents told her they were shocked that a recent Impeachment Bloc rally occurred in Yeghanadzor, saying they were surprised the government would allow such a bloc to exist. Others expressed concern about the trust they have in the vote count on the night after the polls close. Some admitted they didn't see much of a difference between the Republican and Prosperous Armenia parties, who both had candidates in the majoritarian race there. Hovhannisyan said the opinion that progress and action cannot be achieved without seats in the National Assembly still exists, indicating that some residents don't recognize the utility of grassroots movements or believe these groups cannot affect change without government representation. Hovhannisyan confirmed, however, that Yeghanadzor residents associate the well-liked Samvel Sargsian with the Republican party before they think of national Republican Party leader Prime Minister Serzh Sargsian, which improves the Republicans' image in the marz.

¶5. (C) Our interlocutors pointed to a flap over Samvel Sargsian's campaign posters as evidence both of the genuine

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Republican/Prosperous Armenia competition, and that the process seemed fair. The PA candidate had protested against Samvel Sargsian's violation of an election code provision that campaign posters may not display the Armenian national flag. In response, Samvel Sargsian's campaign corrected the posters, leaving just an orange swath in the space where the flag had been.

OSCE LONG-TERM OBSERVER OFFERS HIS TAKE

¶6. (C) We later met in Yerevan with the OSCE Election Observer Mission's long-term observer (LTO) assigned to Vayots Dzor: a private American citizen with previous short-term observer experience, but a first-time LTO. The LTO commented that "there's a real race going on" in Vayots Dzor between the Republican and Prosperous Armenia candidates for the majoritarian seat. He felt that conditions in Vayots Dzor were generally consistent with healthy political debate and an honest race.

¶7. (C) The same LTO also has responsibility for the cities of Ararat and Artashat in Ararat Marz, and he had no equivalent feeling about conditions in either of those two places. In Ararat city, the incumbent oligarch-owner of the major local wine-producing enterprise was running for re-election against an obscure and eccentric political neophyte, whose campaign activities had been minimal. In Artashat, he thought there was real potential for Election Day chicanery. The brother of powerful Territorial Administration Minister Hovik Abrahamian is running against an opposition-aligned independent, who enjoys backing from the Dashink party. OSCE LTOs have had poor cooperation from the territorial election commission (TEC) in Artashat, and found the TEC's tardy process for appointing members to the

precinct election commissions (PECs) suspect.

COMMENT

18. (U) Vayots Dzor is one of the few majoritarian districts where a Republican and Prosperous Armenia candidate are facing each other head to head. The apparent popularity of the marzpet bodes well for a Republican victory in Vayots Dzor. The clearly contested race in Vayots Dzor leaves residents there less inclined than some of their Yerevan counterparts to suspect a grand bargain between the ruling Republicans and newcomer Prosperous Armenia to divide the spoils of power between them. We are encouraged by signs that this, at least, will be a fairly clean contest.
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